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Canada: National Energy Board

(Memorandum of Guidance:
1988 Canadian Electricity Policy)



File No.: 132-1

22 June 1990

**MEMORANDUM OF GUIDANCE¹ TO INTERESTED PARTIES CONCERNING
FULL IMPLEMENTATION OF THE SEPTEMBER 1988
CANADIAN ELECTRICITY POLICY**

INTRODUCTION

On 25 March 1990, Bill C-23, an Act to amend the National Energy Board Act and to repeal certain enactments in consequence thereof was assented to and became law. It came into force on 1 June 1990 following proclamation on 28 May 1990 by the Governor in Council. Hereinafter, the National Energy Board Act, as amended by Bill C-23, is referred to as "the Amended Act".

As a result of the new provisions in the Amended Act on international power lines and electricity exports, the Board proposes new regulations dealing exclusively with electricity. A copy of these draft regulations, entitled the National Energy Board Electricity Regulations ("the Electricity Regulations"), is attached for your information as Appendix I. Please note that the National Energy Board Part VI Regulations ("Part VI Regulations") applicable to electricity exports and sections of the draft National Energy Board Rules of Practice and Procedure applicable to international power lines will be revoked, with the exception of those provisions relating to monthly reports of electricity exports, upon the making of the new Electricity Regulations.

The purpose of this Memorandum of Guidance is to inform interested parties of the measures the Board intends to take to fully implement the Amended Act and, in particular, to advise parties of immediate changes to the Board's procedures in respect of export and international power line applications, pending the approval of the Electricity Regulations by the Governor in Council.

THE AMENDED ACT

Under the Amended Act, electricity exports and international power lines will normally be authorized by issuance of a permit, without a public hearing, unless the Governor in Council, upon the recommendation of the Board, designates a proposed export or an international power line for licensing or certificating procedures. In determining whether to make a recommendation to the Governor in Council, the Board shall seek to avoid the duplication of measures taken by the applicant and the government of the province from which electricity is to be exported or through which a line is to pass, and shall have regard to all considerations that appear to it to be relevant. In the case of a proposed export, those considerations shall include:

- (a) the effect of the export on provinces outside of the sponsoring province;
- (b) the impact of the export on the environment;

1. This Memorandum of Guidance supersedes the one issued in December 1988.

- (c) whether Canadians interested in making purchases to satisfy their own domestic requirements have been afforded fair market access¹ to the electricity proposed for export; and
- (d) such other considerations as may be specified in the regulations.

Similarly, in the case of a proposed international power line, those considerations shall include:

- (a) the effect of the international power line on provinces other than those through which the line is to pass;
- (b) the impact of the construction or operation of the international power line on the environment; and
- (c) such other considerations as may be specified in the regulations.

Before issuing a permit, the Board will examine the application and its supporting information, the submissions of other parties, and any other information that the Board might require to be furnished by the applicant. Permits issued by the Board are not subject to Governor in Council approval. However, the Governor in Council may, up to 45 days following the issuance of a permit by the Board, issue an order revoking the permit and requiring that a proposed export or international power line be designated for a licensing or a certifying process.

If, on the other hand, it appears to the Board that any one of the above considerations, or any other consideration that appears to it to be relevant, has not been adequately dealt with by the applicant or by the appropriate provincial regulatory agency, the Board may delay issuing a permit in order to make a recommendation to the Governor in Council that a proposed export of electricity or an international power line be designated for a licensing or certifying process requiring a public hearing.

Following the issuance of such a recommendation, which would be made public, if the Governor in Council does not make an order designating the proposed export or international power line for a licensing or certifying process, the Board shall issue a permit. Any permit issued by the Board is subject to such terms and conditions respecting any of the matters prescribed in the Electricity Regulations as may be imposed by the Board.

In the event that the Governor in Council does make an order designating a proposed export or international power line for a licensing or certifying process, the Board, in deciding whether to issue a licence or a certificate, shall hold a public hearing and have regard to all considerations that appear to it to be relevant. Any licence or certificate that is issued by the Board is subject to the approval of the Governor in Council, and to such terms and conditions as the Board may impose.

The maximum period of any licence or permit to export electricity is 30 years from a date to be fixed in the respective authorization.

Finally, under the Amended Act, detailed routing and land acquisition in respect of international power lines will be carried out under provincial laws unless an applicant elects to have federal laws apply. In this case, the detailed routing and land acquisition procedures under the National Energy Board Act will apply.

1. As described in subsection 119.06(2) (c) of the Amended Act.



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PROCEDURES FOR PROCESSING EXPORT AND INTERNATIONAL POWER LINE APPLICATIONS UNDER THE AMENDED ACT

Public Notification

Parties are reminded that they are required to comply with the draft Memorandum of Guidance dated 6 September 1989, attached as Appendix II, in respect of Public Notification of Proposed Applications.

Information to be Furnished by Applicants

By this Memorandum of Guidance, the Board advises parties as follows:

- (a) In all cases, applicants for authorizations to export electricity or to construct and operate an international power line shall serve a copy of their applications on each directly interconnected Canadian utility and shall publish a notice of their applications in the Canada Gazette in accordance with section 58.12 or 119.04 of the Amended Act. An example of such a notice is attached as Appendix III.
- (b) Applicants for authorization to export electricity are relieved of the need to comply with the provisions of subsection 6(2) of the Part VI Regulations.
- (c) In place of the information referred to in item (b), applicants for authorizations to export electricity are required to furnish such information as set out in section 8 or section 9 of the proposed Electricity Regulations. The information set out in section 8 is required to be furnished by applicants for authorizations for border accommodation transfers¹ and the information set out in section 9 is required to be furnished by all other applicants. In addition, in accordance with section 119.05 of the Amended Act, the Board may require the applicant to furnish additional information to help it determine whether it wishes to recommend that a proposed export be designated for a licensing process.
- (d) Pursuant to subsection 29(1) of the draft Rules of Practice and Procedure, applicants for authorization of international power lines are relieved of the need to comply with the provisions of Part III of Schedule II.
- (e) In place of the information for which an exemption has been granted in item (d), applicants are required to furnish such information as set out in section 3 or section 4 of the proposed Electricity Regulations. The information set out in section 3 is required to be furnished by applicants to construct and operate international power lines not exceeding an operating voltage of 50 kilovolts and the information set out in section 4 is required to be furnished by all other applicants. When furnishing the information specified in subsection 4(n), i.e., an assessment of the probable environmental impact of an international power line which exceeds an operating voltage of 50 kilovolts, applicants are requested to

1. A border accommodation transfer is a power or energy transfer for purposes of providing electricity service to a customer in a foreign country who lacks ready access to service from an electric utility of that country.

comply with the National Energy Board's Guidelines on the Environmental Information Required with Applications for Authorizations for International Power Lines, a copy of which is attached as Appendix IV. In addition, in accordance with Section 58.13 of the Amended Act the Board may require the applicant to furnish additional information to help it determine whether to recommend that a proposed international power line be designated for a certifying process.

Processing Procedures

Upon submission of an application to the Board, one of three procedures will apply depending on the nature of the application.

- (1) **Applications for border accommodation export authorizations or for authorizations for construction and operation of international power lines not exceeding an operating voltage of 50 kilovolts.**

Following verification of all required information and publication of the notice of application in the Canada Gazette, and after a short delay to allow for comments stemming from the notice, the Board will issue a permit¹. The permit shall then be sent together with a letter of transmittal to the applicant. In the event that any party registers an objection to the application, the Board would investigate the nature of the objection and would ensure that it has been appropriately dealt with before issuing the permit.

- (2) **Application for export authorizations for**

- (i) **not more than 60 000 kilowatts of firm power and not more than 400 million kilowatt hours per year of firm energy, or**
- (ii) **not more than one billion kilowatt hours per year of energy for any of the following classes of transfer, namely, a sale transfer of interruptible energy, or an equichange, storage, adjustment or carrier transfer**

for a period not exceeding three years.

Following verification of all required information, publication of the notice of application in the Canada Gazette, and after a short delay to allow for comments or expressions of interest, the Board will either

- (a) **issue a permit, which shall be sent, together with a letter of transmittal, to the applicant, if no expressions of interest or objections were received, or**

1. Subject to such terms and conditions respecting matters prescribed by the regulations as the Board considers necessary or desirable.

- (b) withhold issuing a permit and issue a list of interested parties including only those that have expressed, in the Board's view, a legitimate interest in the application.

Any interested party identified in the list referred to in (b), not having been previously served a copy of the application, would then be entitled to receive a copy of the application, and any party could serve information requests on the applicant or on any other party. Following brief intervals to allow for the filing of written submissions by interested parties and of a response by the applicant, the Board will either issue a permit or prepare a recommendation for designation of the proposed export based on its examination of the application, the submissions and the applicant's response. If a permit is issued, a copy of the permit together with a letter of transmittal will be sent to the applicant and to all interested parties.

(3) All Other Applications.

The procedure is the same as described in (2) above, but, in this case, the applicant could also be required to publish a notice of the application in specified publications and to serve Directions on Procedure (DOP)¹, issued by the Board, and copies of its application on other interested parties, in addition to the copies already provided to the directly interconnected Canadian utilities. The initial list of interested parties would be established by the Board based on the list of parties included in the hearing order for the applicant's last export licence or international power line certificate proceeding.

Terms and Conditions of Permits

The matters in respect of which terms and conditions of export permits may be imposed are set out in section 10, and those relating to international power line permits are set out in section 5 of the proposed Electricity Regulations.

Detailed Routing of International Power Lines

An applicant who wishes to have the detailed routing and land acquisition procedures of the NEB Act apply to an existing or proposed international power line is required to file an election in the form set out in the schedule to the Electricity Regulations.

Any inquiries with respect to the implementation measures described in this Memorandum of Guidance should be directed to Mr. George Izsak, Chief, Regulatory Division, Electric Power Branch, telephone (613) 990-0334.

Yours truly,



Marie Tobin
Secretary

1. A hypothetical example of a DOP is attached as Appendix V.

**REGULATIONS FOR CARRYING INTO EFFECT THE PROVISIONS OF THE
NATIONAL ENERGY BOARD ACT RESPECTING INTERNATIONAL POWER
LINES AND ELECTRICITY EXPORTS**

Short Title

1. These Regulations may be cited as the National Energy Board Electricity Regulations.

Interpretation

2. In these Regulations,

"Act" means the National Energy Board Act; (Loi)

"adjustment transfer" means a power or energy transfer for purposes such as to adjust energy account balances, to compensate for services rendered, to deliver output entitlements, or to deliver upstream or downstream benefits; (transfert en vue d'une correction)

"border accommodation transfer" means a power or energy transfer for purposes of providing electricity service to a customer in a foreign country who lacks ready access to services from an electric utility of that country; (transfert en vue de service frontalier)

"carrier transfer" means a transfer of power or energy wheeled from one electrical utility through circuits of another electrical utility that acts as a carrier for delivery to a third party or to the originating utility; (transfert relatif au transport)

"certificate" means a certificate under Part III.1 of the Act; (certificat)

"circulating power flow" means an unscheduled flow of electricity that occurs whenever loop circuits are formed by multiple transmission lines; (débit de puissance en circuit bouclé)

"energy" means energy in the form of electricity, expressed in units of watt hours or decimal multiples or sub-multiples of watt hours; (énergie)

"equichange transfer" means an interchange of equal quantities of power or energy within a stated period; (transfert d'équivalents)

"firm energy" means energy intended to be available at all specified times during a period covered by an agreement respecting the sale thereof; (énergie garantie);

"firm power" means power or power-production capacity intended to be available at all specified times during a period covered by an agreement respecting the sale thereof; (puissance garantie)

"interruptible energy" means energy made available under an agreement that permits curtailment or cessation of delivery at the option of the supplier; (énergie interruptible)

"interruptible power" means power made available under an agreement that permits curtailment or cessation of availability at the option of the supplier; (puissance interruptible)

"licence" means a licence under Division II of Part VI of the Act; (licence)

"notice" means a notice of the application published by the applicant in accordance with section 58.12 of Part III.1 of the Act or section 119.04 of Division II of Part VI of the Act; (avis)

"power" means the rate of transferring energy, expressed in units of watts or decimal multiples or sub-multiples of watts; (puissance)

"power transfer capability" means the amount of power that can be transferred from the circuits of one electric utility system to another while meeting reliability criteria for the transmission system; (capacité de transfert de puissance)

"sale transfer" means a transfer of power and energy under a contract of sale; (transfert en vue de la vente)

"storage transfer" means an energy transfer banked for the time being in the form of water in reservoir space of another electrical utility, in the expectation that equivalent energy will be returned at a later time. (transfert en vue de l'emmagasinage)

Information to be Furnished by Applicants for Authorization to Construct and Operate International Power Lines

3. Every applicant for an authorization to construct and operate an international power line, not exceeding an operating voltage of fifty kilovolts, shall furnish to the Board, unless the Board is of the opinion that such information is not necessary to dispose of the application, the following information:

(a) the name, address, telephone number and other telecommunication numbers of the applicant, or of the authorized representative of the applicant, to whom communications may be sent and upon whom documents may be served;

(b) the name and address of the owner and of the operator of the international power line, if different from the applicant;

(c) a map, at a scale sufficient to locate and identify all relevant features, showing

(i) all terminal points, the route, the international boundary crossover point, and the distance in kilometers from the international boundary crossover point to each terminal point of the international power line,

(ii) cities, towns, and villages, rivers, major roads, railways and navigable waters through, under or across which the line is to pass, and

(iii) the power line outside Canada that at the crossover point is connected to the international power line and hereafter is referred to as "the power line outside Canada";

(d) a description from which the international boundary crossover point can be accurately determined on the ground;

(e) the name and address of the owner and the operator of the power line outside Canada;

(f) a brief description of the proposed line, setting forth the voltage level and the maximum power transfer capability;

(g) a copy of the agreement, if any, between the applicant and the owner or the operator of the power line outside Canada, dealing with the financing, construction, and operation of the international power line and the power line outside Canada;

(h) a description of the approvals that have been obtained or are expected to be obtained from all of the provinces through which the line will pass; and

(i) a description of the status of the approval process for the power line outside of Canada.

4. Every applicant for an authorization to construct and operate an international power line, exceeding an operating voltage of fifty kilovolts, shall furnish to the Board, unless the Board is of the opinion that such information is not necessary to dispose of the application, the following information:

(a) the name, address, telephone number and other telecommunication numbers of the applicant, or of the authorized representative of the applicant, to whom communications may be sent and upon whom documents may be served;

(b) a brief description of the applicant, including a description of the applicant's power system and a copy of the applicant's annual report;

(c) the name and address of the owner and of the operator of the international power line, if different from the applicant;

(d) a map, at a scale sufficient to locate and identify all relevant features, showing

(i) all terminal points, the route, the international boundary crossover point, and the distance in kilometers from the international boundary crossover point to each terminal point of the international power line,

(ii) cities, towns, and villages, rivers, major roads, railways and navigable waters through, under or across which the line is to pass, and

(iii) the power line outside Canada that at the crossover point is connected to the international power line and hereafter is referred to as "the power line outside Canada";

(e) a description from which the international boundary crossover point can be accurately determined on the ground;

- (f) the name and address of the owner and the operator of the power line outside Canada;
- (g) a copy of the annual report of the owner and the operator of the power line outside Canada;
- (h) with respect to each circuit and terminal facility of the international power line, and of the power line outside Canada
 - (i) a brief engineering description,
 - (ii) a single-line diagram,
 - (iii) the design capabilities for sustained transmission of power under winter and summer conditions, and
 - (iv) the criteria that underlie the stated capabilities;
- (i) the power transfer capabilities between the applicant's power system and the power system outside Canada to which power is to be delivered, before and after the addition of the international power line, stating the criteria that underlie the stated capabilities;
- (j) a copy of:
 - (i) each interconnection or transaction agreement relating to the construction of the international power line, and
 - (ii) any other agreement between the applicant and the owner or the operator of the power line outside Canada, dealing with the financing, construction, and operation of the international power line and the power line outside Canada;
- (k) details regarding the provincial authorization requirements that are to be satisfied;
- (l) a description of the approvals that have been obtained or are expected to be obtained from all the provinces through which the line will pass;
- (m) a description of the relevant provincial review procedures including
 - (i) a description of the review process applicable to each provincial approval that has been obtained or is expected to be obtained,
 - (ii) details regarding any public consultation provided for under each review process described in subparagraph (i),
 - (iii) a schedule for each review process described in subparagraph (i); and
- (n) an assessment, which may consist in whole or in part of reports prepared for other regulatory authorities, of the probable environmental impact of the international power line, and a statement of the proposed measures to mitigate the environmental impact of the line, including terminal facilities;
- (o) evidence to demonstrate that the proposal does not contravene relevant federal environmental standards or guidelines;

- (p) a description of any negative impacts that the proposal might have outside of the sponsoring province or provinces.
- (q) a schedule showing the projected dates for
 - (i) each approval and authorization respecting the international power line, including terminal facilities, and
 - (ii) the start and completion of construction of the international power line and the power line outside of Canada;
- (r) a statement indicating whether or not the proposed power line is supported by all of the provinces through which it will pass; and
- (s) a description of the status of the approval process for the power line outside of Canada.

Terms and Conditions of Certificates and Permits for International Power Lines

5. Where, pursuant to section 58.11 of the Act, the Board issues a permit authorizing the construction and operation of an international power line, the Board may attach to the permit terms and conditions respecting the following matters:

- (a) the owner and operator of the facilities;
- (b) the location of the facilities;
- (c) the electrical and physical characteristics of the facilities;
- (d) policies, practices, and procedures related to the construction and operation of such facilities and related to the protection of the environment affected by the facilities;
- (e) the filing requirements related to monitoring the construction, operation, and environmental impacts of the facilities;
- (f) requirements for the prior approval of any change that may be required to the facilities;
- (g) circumstances that would cause the revocation of the permit; and
- (h) requirements relating to possible reliability effects of the proposed facilities.

6. Every certificate for the construction and operation of an international power line is subject to such terms and conditions as the Board may prescribe and, without restricting the generality of the foregoing, is subject to every statement set out by the Board in the certificate respecting the matters listed in section 5 of these Regulations.

7. The election that an applicant for or holder of a permit or certificate may file with the Board pursuant to section 58.23 of the Act shall be in the form set out in the schedule.

Information to be Furnished by Applicants for Authorization to Export Electricity

8. Every applicant for an authorization for a border accommodation transfer shall furnish to the Board, unless the Board is of the opinion that such information is not necessary to dispose of the application, the following information:

(a) the name, address, telephone number and other telecommunication numbers of the applicant, or the authorized representative of the applicant, to whom communications may be sent and upon whom documents may be served;

(b) a statement setting forth

(i) the estimated maximum firm power export for each year in the period for which the authorization is sought,

(ii) the estimated maximum monthly and annual quantities of firm energy exports for each year in the period for which the authorization is sought; and

(c) a copy of the electricity sale contract covering the proposed exportation of electricity;

(d) in cases in which the application is not related to a specific export contract, a copy of each interconnection or exchange agreement covering the contractual arrangements under which the proposed exportation would take place;

(e) a brief description of the international power line over which the applicant proposes to export electricity, setting forth

(i) the number of the certificate or permit issued by the Board,

(ii) the name of the holder of the certificate or permit,

(iii) the name of the owner of the power line outside Canada that at the boundary crossing is connected to the international power line, and

(iv) the voltage level of the international power line;

(f) the name, address, and brief description of each person or agency to be supplied outside Canada and a statement of the load to be supplied to each;

(g) a description of the provincial approvals that have been obtained or are expected to be obtained; and

(h) a description of the status of the process of obtaining approvals related to the importation of electricity into the country to which it is to be exported.

9. The information required to be furnished by all other applicants for authorizations to export electricity shall, unless the Board is of the opinion that such information is not necessary to dispose of the application, include:

(a) the name, address, telephone number and other telecommunication numbers of the applicant, or of the authorized representative of the applicant, to whom communications may be sent and upon whom documents may be served;

(b) a brief description of the applicant, including a description of the applicant's power system, a copy of the applicant's latest annual report, and the applicant's most recent publicly available generation or development plan;

(c) in the case of an export sale transfer, a statement setting forth

(i) the estimated maximum firm power export for each year in the period for which the authorization is sought,

(ii) the estimated maximum combined firm and interruptible power exports for each year in the period for which the authorization is sought,

(iii) the estimated maximum monthly and annual quantities of firm energy exports for each year in the period for which the authorization is sought,

(iv) the estimated maximum annual quantities of interruptible energy exports for each year in the period for which the authorization is sought, and

(v) information respecting any import sale transfers corresponding to the information requested in subparagraphs (i) to (iv),

(d) in the case of an equichange, storage, adjustment or carrier transfer or circulating power flow, a statement of the annual quantities of energy for exportation and for importation for each type of transfer for the period for which the authorization is sought;

(e) a copy of each bulk electricity sale agreement covering the proposed exportation of electricity;

(f) in cases in which the application is not related to a specific export contract, a copy of each interconnection or exchange agreement covering the contractual arrangements under which the proposed exportation would take place;

(g) a list of the international power lines over which the applicant proposes to export or import electricity, setting forth in respect of each line

(i) the number of the certificate or permit issued by the Board,

(ii) the name of the holder of the certificate or permit,

(iii) the name of the owner of the power line outside Canada that at the boundary crossing is connected to the international power line,

(iv) the voltage level and operating designation of each circuit,

(v) the maximum power transfer capability of each circuit giving the basis for this limit, and

(vi) the total simultaneous power transfer capability under normal operating conditions for all the international power lines listed in this paragraph;

- (h) the name, address, and brief description of each person or agency to be supplied outside Canada and a statement of the load to be supplied to each;
- (i) a copy of the latest annual report of each person or agency to be supplied outside Canada;
- (j) a description of the status of the process of obtaining approvals related to the importation of electricity into the country to which it is to be exported; and
- (k) details regarding the provincial authorization requirements that are to be satisfied;
- (l) a description of the provincial approvals that have been obtained or are expected to be obtained;
- (m) a description of the relevant provincial review procedures including
 - (i) a description of the review process applicable to each provincial approval that has been obtained or is expected to be obtained,
 - (ii) details regarding any public consultation provided for under each review process described in subparagraph (i), and
 - (iii) a schedule for each review process described in subparagraph (i);
- (n) an assessment, which may consist in whole or in part of reports prepared for other regulatory authorities, of the probable environmental impact of the proposed exportation and a statement of any measures that will be taken to mitigate the environmental impact;
- (o) evidence to demonstrate that the proposed exportation does not contravene relevant federal environmental standards or guidelines;
- (p) a description of any negative impacts that the proposed exportation might have outside of the sponsoring province or provinces; and
- (q) evidence to demonstrate that
 - (i) those who have declared an interest in buying electricity for consumption in Canada have been informed by the applicant of the quantities and classes of service available for sale, and
 - (ii) those who, within a reasonable time after being so informed, having demonstrated an intention to buy electricity for consumption in Canada, have been given by the applicant an opportunity to purchase electricity on terms and conditions as favourable as the terms and conditions specified in the application.

Terms and Conditions of Licences and Permits for the Export of Electricity

10. Every licence or permit for the export of electricity shall state the quantities of power and energy in terms of kilowatts and kilowatt hours, or multiples thereof, that may be exported thereunder, the quantities if any that may be imported as an offset to the export, and the maximum quantities for any daily, monthly, annual or other appropriate period with respect to both exports and imports.

11. Where, pursuant to section 119.03 of the Act, the Board issues a permit authorizing the exportation of electricity, the Board may attach to the permit terms and conditions respecting the following matters:

- (a) the duration of the permit;
- (b) the maximum quantities of power and energy authorized;
- (c) the classes of power or energy transfers authorized;
- (d) the firmness or interruptibility of each class of transfer;
- (e) conditions under which the permit holder must curtail or interrupt the export;
- (f) the international power lines over which transfers are authorized;
- (g) requirements relating to the measurement of power and energy for the purposes of the permit;
- (h) any changes in circumstances about which the permit holder is required to inform the Board;
- (i) requirements relating to the filing of any amendments that may be made to an export agreement;
- (j) requirements relating to the protection of the environment
- (k) requirements relating to the possible reliability effects of the export; and
- (l) requirements relating to the fair market access to be provided by the permit holder to potential Canadian buyers.

12. Every licence is subject to such terms and conditions as the Board may prescribe and, without restricting the generality of the foregoing, is subject to every statement set out by the Board in the licence respecting the matters listed in section 11 of these Regulations.

Units of Measurement

13. (1) For the purposes of these Regulations, power and energy shall be measured in accordance with the Electricity and Gas Inspection Act.

(2) For the purpose of these Regulations,

(a) a unit of

(i) power shall be 1 watt or any decimal multiple or sub-multiple thereof, and

(ii) energy shall be 1 watt hour or any decimal multiple or sub-multiple thereof,

where the multiples or sub-multiples are those accepted for use in the International System of Units (SI);

(b) 1 watt hour shall be the energy produced from a power source of 1 watt during a period of 3600 seconds; and

(c) 1 watt and 1 second have the same meanings as in Schedule I to the Weights and Measures Act.

Inspection

14. (1) A member of the Board or any person authorized by the Board in writing for the purpose may, in connection with any licence or permit issued under Division II of Part VI of the Act or for any other reason relating to the administration or enforcement of the Act or these Regulations, at any reasonable time,

(a) enter any premises in which electricity is generated or produced for export from Canada or is exported from Canada;

(b) inspect any plant, equipment, instruments or devices used for or in connection with the exportation of electricity and make such reasonable tests thereon as he deems necessary; or

(c) inspect any books, records or accounts used for or in connection with the exportation of electricity;

(2) A person authorized by the Board to exercise any of the powers referred to in subsection (1) shall, upon demand made to him at any time while he is exercising any such powers, produce his authority in writing from the Board in such behalf.

(3) Any person who is the operator or who is in charge of any of the places, equipment, plant or records mentioned in subsection (1) shall permit or assist any member of the Board or any person authorized by the Board in the exercise of the powers conferred by subsection (1).

SCHEDULE

(s.7)

Form 1

To: The Secretary
National Energy Board
473 Albert Street
Ottawa, Ontario
K1A 0E5

(Date)

This constitutes the election of _____ under section
58.23 of the _____
National Energy Board Act. print name

The international power line in respect of which the provisions of the National
Energy Board Act referred to in section 58.27 of that Act and not the laws of the province
shall apply, may be described as follows: *(give a brief description of the power line).*

From: _____
Name

Address

City, Prov., Postal Code

Signature

National Energy Board



Office national de l'énergie

NEB File No.: 1030-2

6 September 1989

To: ALL COMPANIES UNDER THE BOARD'S
JURISDICTION AND OTHER INTERESTED PARTIES

Re: Early Public Notification of Proposed Applications
Draft Memorandum of Guidance

There is an increased public awareness of and concern over the environment. To allow the Board to evaluate the level of such public concern, the Board has decided that it is necessary to ensure full notification to the public of proposed applications under the NEB Act, having potential environmental and social effects.

The intent of the attached draft Memorandum of Guidance is to provide for public input during the project planning and development stage which may be incorporated into application proposals to the Board. It is anticipated that providing early public notification of proposed applications would improve the Board's regulatory process.

The Board would appreciate your comments by
20 October 1989.

Yours truly,

Louise Meagher
Secretary

Attach.



National Energy Board

Office national de l'énergie

File No.: 1030-2

6 September 1989

TO: ALL COMPANIES UNDER THE BOARD'S
JURISDICTION AND OTHER INTERESTED PARTIES

**DRAFT
MEMORANDUM OF GUIDANCE**

Re: Public Notification of Proposed Applications for a
Certificate, an Order or Authorization to Export
Pursuant to Sections 52, 58 and 116 of the National
Energy Board Act ("the Act")

INTERIM DIRECTION

The Board has set out the following direction to be
implemented by applicants for authorizations pursuant to
sections 52, 58 and 116 of the Act:

1. Prior to the filing of an application, an applicant
shall:
 - (A) implement a public information program to explain the
proposal under review, its potential environmental and
social effects, and to allow an opportunity for public
comment. The information to be provided shall include
as a minimum:
 - (i) for facilities applications, a map and sufficient
description such that the proposal and its
location can be determined;
 - (ii) for export applications, the applicant shall
similarly identify the production and
transportation facilities (existing or future)
that will contribute to the proposed export,

- (B) provide interested parties adequate time to comment on the proposal;
 - (C) ensure that senior officials and expert staff are responsive to any questions that may be put to them by the public.
2. When filing its application with the Board an applicant shall:
- (A) provide a description of the nature of the public information program, the means and date of public notification, and the date and location of meetings, if any, and shall include a summary of public comments received and concerns expressed; and
 - (B) provide such additional information on the public information program as may be requested by the Board.
3. If the applicant determines that the environmental or social effects of the proposal are insignificant, the applicant may request exemption from the requirements of Sections 1 and 2.
4. Sections (1), (2) and (3) shall not apply with respect to those applications which fall within one of the following categories:
- (A) work contained within the confines of station property not related to the storage and disposal of toxic substances, or that will not increase noise emissions or air contaminants;
 - (B) additional acquisitions required to support the day-to-day operations of a company, eg. office supplies and furniture, vehicles, aircraft repair, etc;
 - (C) routine maintenance, contingency projects and work performed on the pipeline right of way that does not adversely affect the public or the natural environment;
 - (D) oil and natural gas import and export applications, except applications for export by marine vessel from the west coast of Canada, of oil, other than oil products, that have a sulphur content greater than 0.9 per cent by weight;
 - (E) international power lines not exceeding an operating voltage of fifty kilovolts and for which no significant environmental or social concerns are identified;

- (F) electricity exports authorized by order pursuant to section 7 of the NEB Part VI Regulations for a maximum period of three years and not more than:
- (i) 60,000 kilowatts of firm power and 400 million kilowatt hours per year of firm energy; or
 - (ii) one billion kilowatt hours per year of any of the following classes of transfer:
 - (a) a sale transfer of interruptible energy,
 - (b) an equichange transfer,
 - (c) a storage transfer,
 - (d) an adjustment transfer, or
 - (e) a carrier transfer.

Louise Meagher
Secretary

APPENDIX III

**EXAMPLE OF NOTICE TO BE PUBLISHED
IN CANADA GAZETTE**

Canada Gazette Part I

8 December 1989

ALPHA ELECTRIC

Alpha Electric of Ottawa hereby gives notice that it has, under Division II of Part VI of the National Energy Board Act, filed an application dated 1 December 1989 with the National Energy Board for authorization to export 500 megawatts of firm power and 2000 gigawatt hours per year of firm energy for a period of five years. The export would be in accordance with the terms of the firm power and energy contract between Alpha Electric and Omega Power Authority of the United States, executed on 15 November 1989.

Written objections or comments in respect of the application may be filed with: Secretary, National Energy Board, 473 Albert Street, Ottawa, Ontario, K1A 0E5.

Ottawa, 1 December 1989
ALPHA ELECTRIC

**GUIDELINES ON THE ENVIRONMENTAL INFORMATION REQUIRED WITH
APPLICATIONS FOR AUTHORIZATIONS FOR INTERNATIONAL POWER LINES**

1. General Requirement

Section 4(h) of the National Energy Board Electricity Regulations requires an applicant for authorization for an international power line to furnish an assessment of the probable environmental impact of such a power line. Although the details of such an assessment should be commensurate with the magnitude and complexity of the expected impact, this guideline describes the type of information that should be provided.

2. Application for Exemption

Applicants for authorization for lines of voltage not exceeding 50 kV, unless otherwise required by the Board, are exempted from these requirements.

3. Submission of Studies and Other Applications

With the environmental assessment, the applicant shall submit copies of

- a) any studies that have been made on the environmental impact of the proposed line or any part thereof, and
- b) any applications to and decisions by public bodies relating to the line.

4. The Existing Environment

The applicant shall provide:

- a) a map or maps of scale at least 1:50,000, based on either maps of the National Topographic System or on aerial photographs, to show the proposed right-of-way, and for a width of at least one kilometre on each side of the power line to portray the following:
 - i. the surface and near surface geology;
 - ii. soil types, classified in the Canadian system;
 - iii. any recognized geological or hydrological hazards (such as landslides, mudflows, floods, earthquakes, etc.);
 - iv. the habitats of terrestrial animal life, wetland furbearers and waterfowl, of recognized importance;
 - v. the habitats of rare or endangered plant species;
 - vi. the spawning beds of fish species of recognized importance;
 - vii. the locations of public recreational areas;

- viii. special areas such as national and historic parks, provincial parks, historic and archaeological sites, ecological reserves, conservation areas, Indian reserves, etc;
 - ix. existing land use;
 - x. water supply intakes;
 - xi. existing and proposed transmission towers and other power facilities; and
 - xii. any proposed construction roads and camps; and
- b) a description of the environmental components listed in subsection (a).

5. Environmental Standards

The applicant shall state what environmental standards, specifications or guidelines, if any, would be followed in the planning, design, construction and operation of the line.

6. The Environmental Impact

The applicant shall state:

- a) what width of right-of-way is proposed, and why this width was selected;
- b) what changes the construction and operation of the line and of any associated temporary or permanent roads would cause to:
 - i. land drainage and erosion;
 - ii. vegetation;
 - iii. wildlife, especially rare or endangered species;
 - iv. fish spawning and productivity;
 - v. agriculture, recreation and other human activities;
 - vi. water supplies; and
 - vii. land valuesshowing in each case what methods would be used to minimize undesirable effects, and why such effects should not be further reduced;
- c) what efforts would be made to ensure that the right-of-way:
 - i. avoids scenic, historic, residential and recreational areas; and
 - ii. minimizes conflict with any present or approved future land use;
- d) what efforts would be made to minimize the marring of the landscape by the right-of-way, to improve the appearance of the line, to screen it from highways and

other areas of public view, and to blend it into the environment;

- e) what plans have been made for surface restoration after construction, and for the disposal of construction excavation debris and wastes;
- f) what pesticides or herbicides would be used in the construction and maintenance of the right-of-way, including quantities, methods of application, and effects;
- g) what supervision and inspection of environmental effects and protection would be provided:
 - i. during construction; and
 - ii. during subsequent operation;
- h) what steps would be taken to minimize radio and television interference, and what levels would be expected in decibels above one microvolt per metre at the edge of the right-of-way under fair and foul weather conditions;
- i) for transmission voltage above 240 kV, what levels of
 - i. audible noise in decibels, and
 - ii. ozone concentration in parts per billion would be expected at ground level at the edge of the right-of-way under fair and foul weather conditions;
- j) for transmission voltages above 240kV, what values of electric field gradient in kilovolts per metre would be expected at mid-span
 - i. directly under the outermost conductor, and
 - ii. at the edge of the right-of-way;and what measures, if any, would be taken to protect people or livestock contacting vehicles or metallic structures under the line from electric shock resulting from induced voltages;
- k) for any substation facilities forming part of the international power line, the audible noise in decibels that would be caused at the property line, a description of the public exposure to such noise, and the steps that would be taken to minimize the noise, and;
- l) the potential for adverse effects on human health of the electric and magnetic fields produced by the proposed transmission line and the steps that would be taken to minimize those effects.

7. **Alternatives**

The applicant shall state what consideration was given to alternatives such as:

- i. different routes,
- ii. replacing or upgrading existing lines, or
- iii. multiple-use right-of-way with other utilities and why such alternatives were rejected.

Date: 8 January 1990

ORDER NO. EA-1-90

DIRECTIONS ON PROCEDURE

Alpha Electric

**Application to Export Electricity to
Omega Power Authority of the United States**

By an application dated 1 December 1989, Alpha Electric ("the Applicant") has applied to the National Energy Board ("the Board") under Division II of part VI of the National Energy Board Act ("the Act") for authorization to export 500 megawatts of firm power and 2000 gigawatt hours per year of firm energy for a period of five years commencing 1 January 1991. The export would be in accordance with the terms of the firm power and energy contract between the Applicant and Omega Power Authority of the United States, executed on 15 November 1989.

A. SUBMISSIONS BY INTERESTED PARTIES

PUBLIC VIEWING

1. The Applicant shall deposit and keep on file, for public inspection during normal business hours, copies of the application in its offices at (the Applicant's address). Copies of the application are also available for viewing during normal business hours in the Board's Library, Room 962, 473 Albert Street, Ottawa, Ontario and at its office in Calgary, Alberta at 4500 - 16th Avenue N.W.

PRELIMINARY SERVICE REQUIREMENT

2. The Applicant shall forthwith serve a copy of these Directions on Procedure and the Notice of Application, attached as Appendix I, on the preliminary list of parties set out in Appendix II.

NOTICE OF APPLICATION

3. The publications in which the Applicant is required to publish the Notice of Application are listed in Appendix III.

SUBMISSIONS

4. Parties wishing to make submissions to the Board in respect of their interest in the application are required to file their submissions with the Secretary and serve them on the Applicant by Monday, 22 January 1990.

Such submissions should

- (a) set out the name, mailing address, address for personal service and telephone number or other telecommunications numbers of the party or agent authorized to receive documents on his behalf;
 - (b) describe the nature of the party's interest in the application;
 - (c) state clearly the issues which the party wishes to address; and
 - (d) state clearly the reasons why the Board should recommend to the Governor in Council that the application be subject to a licence proceeding, if, in the party's view, the application should be subject to such a proceeding.
5. The Secretary will issue a final list of interested parties shortly after Monday, 22 January 1990.

FILING AND SERVICE REQUIREMENTS

6. The Applicant shall, following the issuance of the final list of interested parties pursuant to paragraph 5, serve each party with a copy of the application.
7. Each party included in the final list of interested parties issued pursuant to paragraph 5, shall serve its submission filed pursuant to paragraph 4, on all other parties included in the final list of interested parties.
8. Where parties are directed by these Directions on Procedure to file or serve documents on other parties, the following numbers of copies shall be served or filed:
 - (1) for documents to be filed with the Board, provide 25 copies;
 - (2) for documents to be served on the Applicant, provide 3 copies; and

- (3) for documents to be served on interested parties,
provide 1 copy.

INFORMATION REQUESTS

9. Information requests addressed to the Applicant or any other interested party are required to be filed with the Secretary and served on all other parties by Monday, 5 February 1990.
10. Responses to information requests received within the specified time limit shall be filed with the Secretary and served on all other parties by Monday, 19 February 1990.

SUPPLEMENTARY INFORMATION

11. Any supplementary information that the Applicant or any party included in the list issued by the Secretary pursuant to paragraph 5 wishes to present shall be filed with the Secretary and served on all other parties by Monday, 26 February 1990.

GENERAL

12. All parties are asked to quote Order No. EA-1-90 and File No. xxxxx when corresponding with the Board in this matter.
13. For further information on the application described herein, or the procedures governing the Board's review, contact the Regulatory Support Officer at (613) 99x-xxxx.

B. ENVIRONMENTAL SCREENING

14. The Board will be performing an environmental screening in accordance with the Environmental Assessment and Review Process Guidelines Order. This screening will be performed by means of a written procedure. Anyone wishing to participate in the environmental screening must advise the Board in writing by 22 January 1990. Shortly thereafter, the Secretary will advise parties of further procedures in respect of the environmental screening.

15. For additional information on the environmental screening process contact the Regulatory Support Officer at (613) 99x-xxxx.

Marie Tobin
Secretary
National Energy Board
473 Albert Street
Ottawa, Ontario
K1A 0E5
Telecopier No: 990-7900
Telex No: 053-3791

NATIONAL ENERGY BOARD

ORDER NO. EA-1-90

NOTICE OF APPLICATION

Alpha Electric

Application to Export Electricity to
Omega Power Authority of the United States

By an application dated 1 December 1989, Alpha Electric ("the Applicant") has applied to the National Energy Board ("the Board") under Division II of part VI of the National Energy Board Act ("the Act") for authorization to export 500 megawatts of firm power and 2000 gigawatt hours per year of firm energy for a period of five years commencing 1 January 1991. The export would be in accordance with the terms of the firm power and energy contract between the Applicant and Omega Power Authority of the United States, executed on 15 November 1989.

A. SUBMISSIONS BY INTERESTED PARTIES

Anyone wishing to make submissions to the Board in respect of their interest in the application must file a written submission with the Secretary of the Board and serve a copy on Alpha Electric at the following address:

(address of Alpha Electric)

Written submissions should state the issues the party wishes to address and the reasons, if any, why, in the party's view, the application should be subject to a licence proceeding.

The deadline for receipt of written submissions is Monday, 22 January 1990. Immediately following this deadline, the Secretary will issue a final list of interested parties.

Alpha Electric will provide a copy of the application to each party that is included in the final list of interested parties.

B. ENVIRONMENTAL SCREENING

In accordance with the Environmental Assessment and Review Process Guidelines Order, the Board will be performing an environmental screening of this proposed export. The screening will be conducted pursuant to a written procedure. Parties wishing to participate in the environmental screening must advise the Board in writing by 22 January 1990.

Marie Tobin
Secretary
National Energy Board
473 Albert Street
Ottawa, Ontario
K1A 0E5
Telecopier No: 990-7900
Telex No: 053-3791

PRELIMINARY LIST OF PARTIES

1. Names and addresses of potential Canadian electricity purchasers - normally those Canadian utilities directly interconnected with the Applicant and any others potentially able to arrange for the necessary interconnections.
2. Names and addresses of applicable provincial government departments or agencies having a potential interest in the application.
3. Names and addresses of all other interested parties, if any.

LIST OF PUBLICATIONS

Publications

Cities

(Local, regional and national papers as specified)

